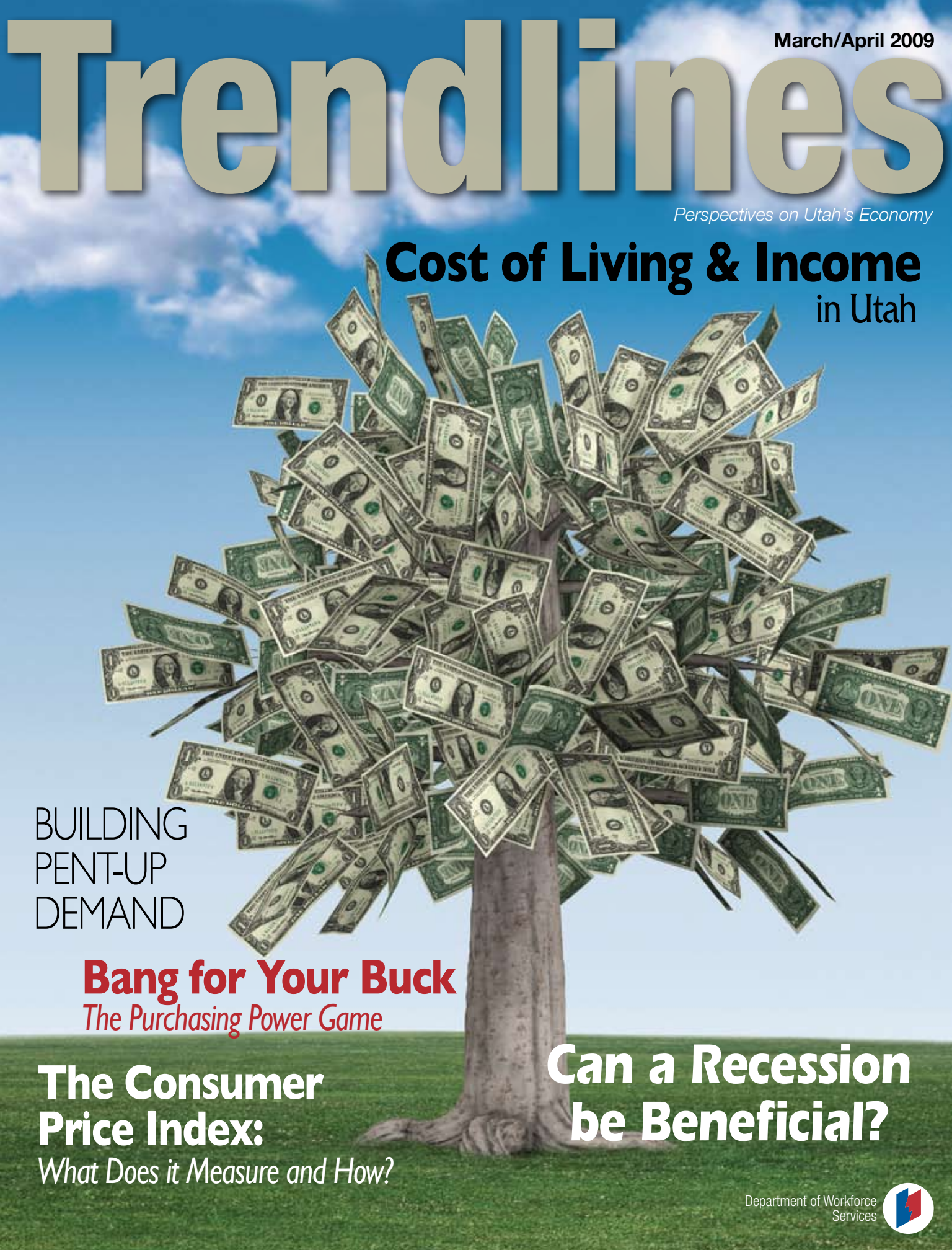
March/April 2009

Trendlines

Perspectives on Utah's Economy

Cost of Living & Income in Utah



BUILDING PENT-UP DEMAND

Bang for Your Buck

The Purchasing Power Game

The Consumer Price Index:

What Does it Measure and How?

Can a Recession be Beneficial?

Department of Workforce Services

Trendlines

is published every other month by the Utah Department of Workforce Services, Workforce Development and Information Division. To read, download, or print this publication (free), see our Internet site: http://jobs.utah.gov/wi. Click on "Publications" then select the one you want from the list.

To obtain additional printed copies or to subscribe to *Trendlines* contact:

Department of Workforce Services
Attn: WDID
140 East 300 South
Salt Lake City, UT 84111

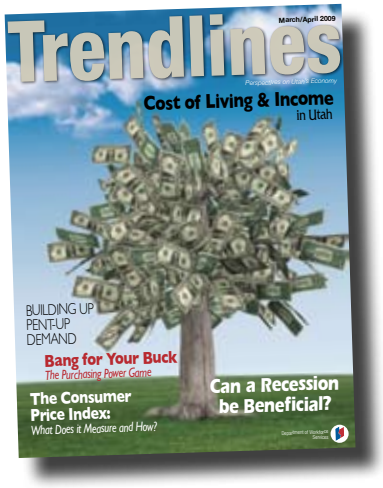
Telephone: (801) 526-9462
Fax: (801) 526-9238
Email: wipublications@utah.gov

The Workforce Development and Information Division generates accurate, timely, and understandable data and analyses to provide knowledge of ever-changing workforce environments that support sound planning and decision-making.

DWS-03-44-0309

Trendlines

jobs.utah.gov



Cost of Living and Income Issue

pg. 15

contents

Building Pent-Up Demand

The makings of pent-up demand

All the talk currently surrounding Utah, and also the nation, is about the current economic downturn. Questions remain unanswered as to how deep the job contraction will be, and for how long this will last. Let's assume that this downturn is so drastic that a new economic world order results. If that is the case, then the rules will have changed and all bets are off. But if it's just another economic downturn (albeit a bad one), then things will eventually return to the old order.

In that respect, Utah's future looks bright. This article is not trying to be Pollyanna, for this current downturn is quite serious, but eventually this business trough will go away. There are few places I would rather be economically than in Utah. One major reason will be Utah's building pent-up demand for goods and services. We don't know how long this downturn will be, but the longer it drags out, the more pent-up demand results. When the market turns, that demand should fuel above-average economic growth.

The irony is that construction will lead the way—yes, the same construction industry that is currently leading us into this downturn. When the economic variables fall back into place, construction will lead the employment rebound.

Population growth, we know, is also a factor in this equation. It has a direct influence upon economic activity. Population growth produces economic growth. Utah was recently ranked as the state with the highest population growth over the past year. One year of pent-up demand doth not an economic boom make, but it's likely we will hold this ranking again next year, while the economy will continue to be sluggish. So now we're talking about two to three years of good population growth (last year, this year, next year) in the face of a sluggish economy. Sounds like the makings of pent-up demand.

Did You Know...

- Job losses spreading beyond Utah's struggling construction industry pushed the state's unemployment rate to a 43-month high in December… http://www.sltrib.com/ci_11501217
- Home prices fell in 34 U.S. states in 2008, yet rose in Utah by 1.5 percent. http://www.sltrib.com/ci_11556069
- Utah today has a $1 billion-a-year ski industry that provides 18,000 jobs, features 13 resorts attracting more than four million visitors annually. http://www.sltrib.com/business/ci_11473204

Population growth produces economic growth—will this create pent-up demand in Utah?

What's New from the American Community Survey?

Income data is now available for more Utah counties than ever before

It's almost more than a data geek can bear! I've got to write this article about the new income data available from the American Community Survey. Okay, writing about data—that is not a problem for me. The real problem? So much data, so little room to write.

However, perhaps the most important information I can relay to you here is this: income data from the American Community Survey (ACS) is now available for more Utah counties than ever before. In the past, ACS only provided estimates for Utah's largest counties—Salt Lake, Weber, Utah, Davis, Washington, and Cache.

However, economic, social, income, and housing data are now available for what the Census Bureau considers "mid-sized" counties, cities, and towns—those with populations of 20,000 or more. In Utah, that means ACS data is now available for Box Elder, Iron, Sanpete, Summit, Tooele, Uintah and Wasatch counties plus more than 30 cities and towns.

On Average. . .

Of course, there is one small catch. Due to small sample sizes, data for the midsize areas is averaged for three years. For example, instead of getting a median household income figure for 2007, you get a figure that's averaged for 2005 through 2007. Despite this fact, averaged data presents a far better alternative to having to wait until at least 2011 to get demographic data for your local area. Even data users in larger areas can benefit from using the averaged data. Survey sample sizes for the three-year averages are much larger and therefore provide more accurate estimates.

So Much Data, So Little Space

As previously mentioned, there's a lot of ACS income data to write about. Median household, median family, number of families/households by income level, income by age, income by gender, earnings by occupation, type of income, poverty, etc.—and I have even less space left.

Gini in a Bottle

So, I'm going to very briefly explore just one little gem of income information I recently discovered nestled in the cornucopia of ACS data—the Gini coefficient. In the briefest possible terms, the Gini coefficient is a ratio used to measure income inequality. Gini coefficients range between "0" (everyone has the exact same income) and "1" (one person has all the income). A lower Gini coefficient indicates a more equal income distribution, while a higher Gini coefficient signifies a more unequal distribution.

Some Counties are More Equal than Others!

Check out the chart that accompanies this article. The first thing you'll notice is that the state and all the counties listed display lower Gini coefficients than the United States. Interestingly, Uintah County has the highest Gini coefficient among reported counties. Could this be because of the difference in high-paying oil-gas industries and everyone else? Summit and Salt Lake counties also show higher-than-Utah-average income inequality. Counties with the most equal income distribution (Tooele, Box Elder and Sanpete) tend to be less populated and less urbanized.

To delve into recently released American Community Survey data, go to:

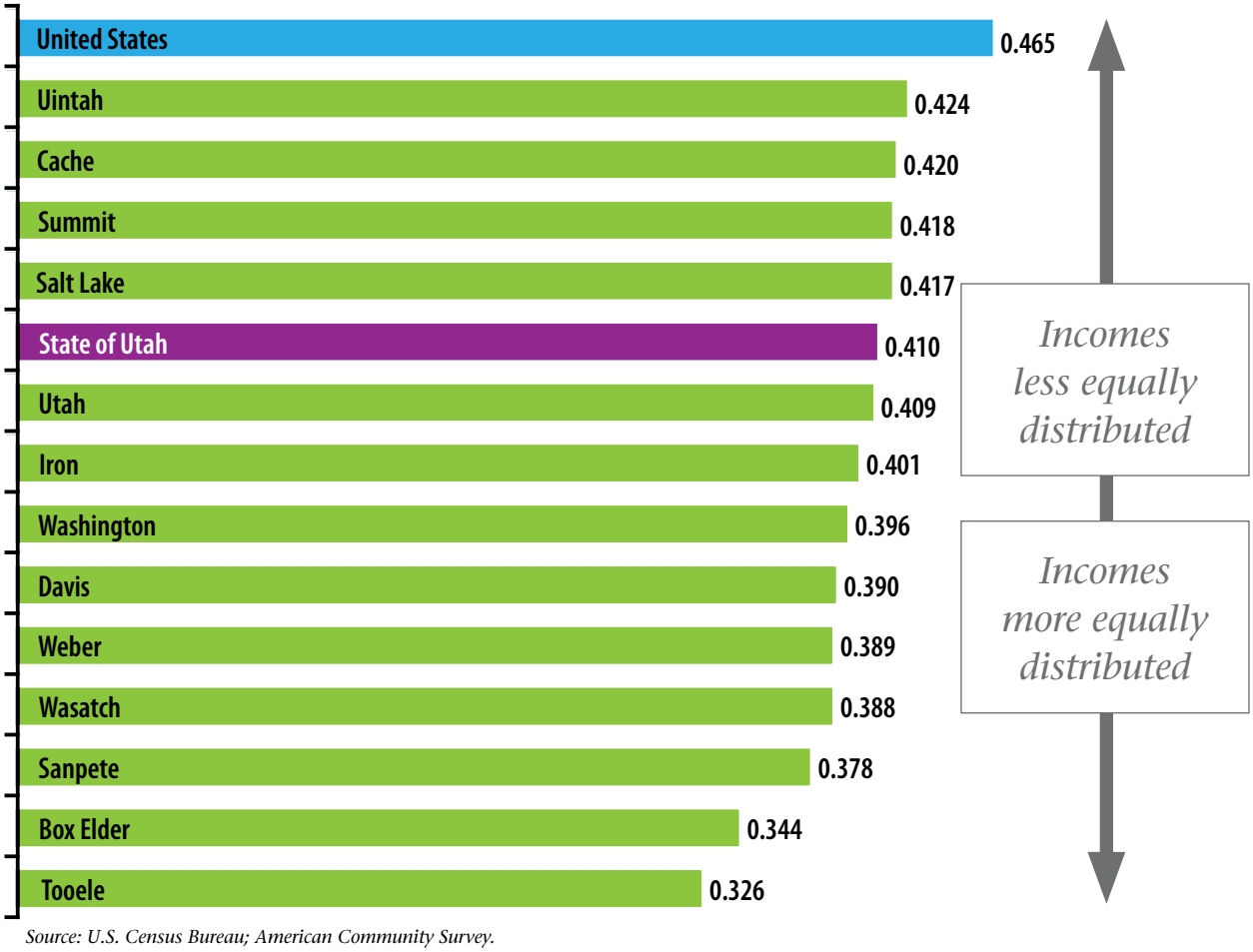
•http://factfinder.census.gov

Gini Indices of Income Equality

from the

American Community Survey

2005-2007



Source: U.S. Census Bureau; American Community Survey.

Bang for Your Buck

The Purchasing Power Game

Did you receive a cost-of-living adjustment in your paycheck last year? Unless your pay went up by about 3 percent you were losing purchasing power. Purchasing power is the measure of what your earnings can buy. For consumers, purchasing power is determined by the level of inflation as measured by the Consumer Price Index (CPI). Did your pay go up by 3 percent or more? If not, you lost purchasing power and your standard of living dropped.

Controlling inflation is a primary goal of federal monetary policy—that's the job of the Federal Reserve System. Controlling inflation is very important because inflation affects the value (purchasing power) of the dollar. That dollar can be in a business account, a personal account, a retirement portfolio, a government budget, or social security benefits. The point is inflation affects everyone interacting in the economy.

Most consumers make the direct connection with inflation through what their everyday dollars will buy. Where do those dollars come from? They come from the paycheck. Improving your overall economic position means increasing your income to where the wage gain is greater than the rate of inflation. Workers may not realize that unless their paychecks go up by more than the rate of inflation, they are actually losing money or purchasing power.

How did Utah workers do in the purchasing power game over the last 10 years?

On average, you needed to increase your wages by about 28 percent over the 1997 to 2007 period just to break even and maintain purchasing power. In general, employees received increases in pay of 42 percent between 1997 and 2007 (see graph). Workers not only maintained their purchasing power but also increased their earnings above inflation by another 14 percentage points. Remember that the 10-year 42-percent increase in average wages by Utah employees includes performance (merit) increases and any cost-of-living adjustments. Most of the 42-percent increase likely resulted from promotions or performance increases.

The primary reason wages increased significantly was from growth—a booming economy. With the exception of a slowdown between about 2001 and 2004, the state had low unemployment and demand for workers was high. This resulted in upward pressure on wages as employers competed for available workers/skills in the labor market. The good news was that businesses were thriving and adding employees. The not-so-good news for employers (not workers) was that this demand was drying up the labor pool and creating worker shortages, thus driving up wages. Did you benefit from this growth?

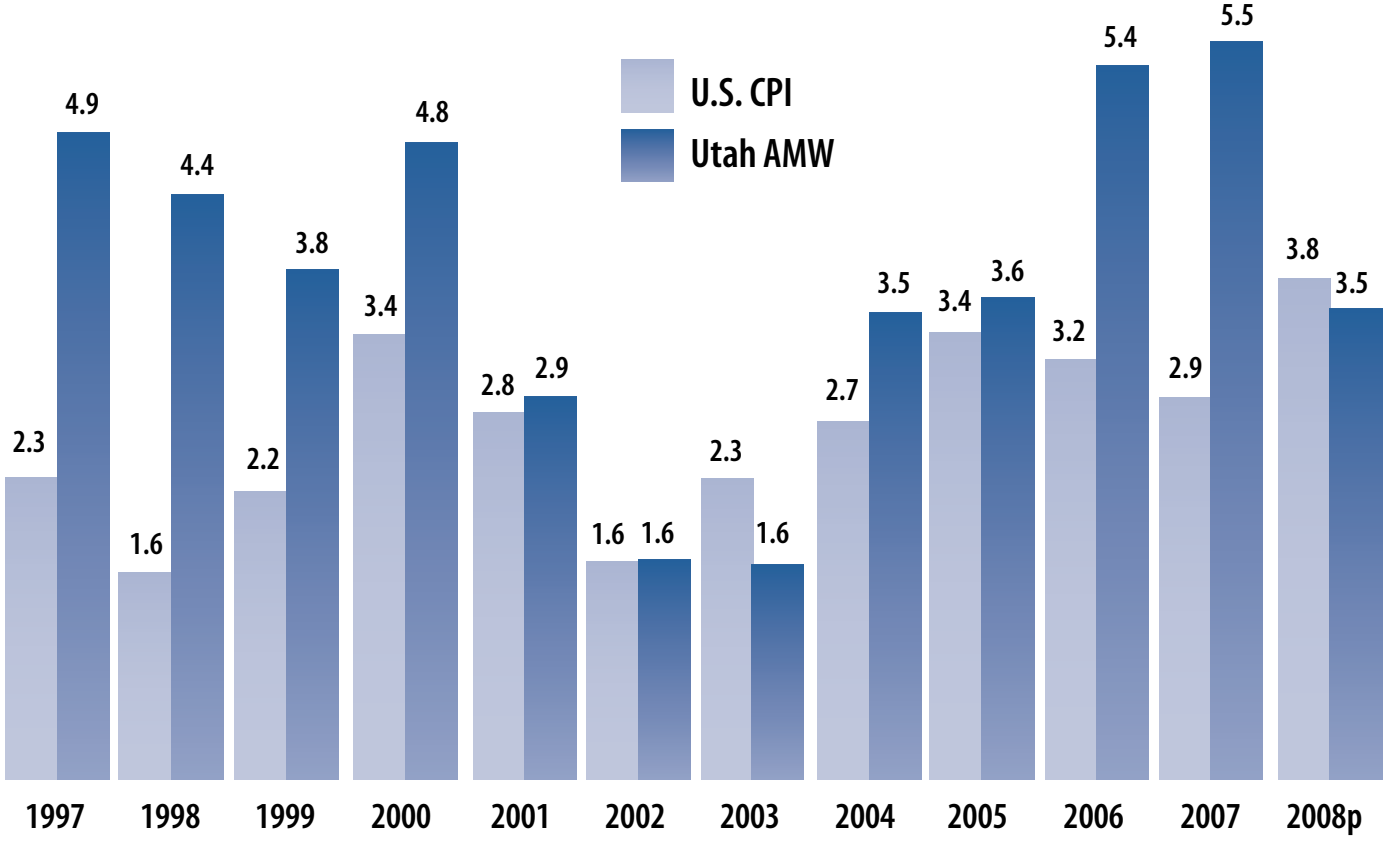
An Example

Let's say that in 2006 your earnings—your paychecks—totaled $32,000. That's your gross wage for the year (not your net after taxes and other deductions). In 2007 your checks added to $34,000. Your pay increased by 6.3 percent. Sounds good, right? Now adjust for inflation by subtracting the rate of inflation for 2007 of 2.9 percent from your gross increase of 6.3 percent. Your "real" inflation-adjusted increase in pay was 3.4 percent (6.3 percent—the total increase in pay less the amount of the increase accounted for by inflation—2.9 percent). Your purchasing power increased by 3.4 percent—that's good!

Pay increases are great but just remember that the purchasing power of the dollar is what is important, and adjust for that to get the true meaning of that big raise!

On average, you should have increased your wages by about 28 percent over the 1997 to 2007 period just to break even and maintain purchasing power.

Comparison of the Change in the U.S. Consumer Price Index & the Utah Average Monthly Wage • 1997-2007



Source: Bureau of Labor Statistics and Department of Workforce Services, March 2009.

For more information on inflation and the cost-of-living see:

- http://jobs.utah.gov/opencms/wi/pubs/costofliving/cost.html
- http://www.bls.gov/cpi/home.htm
- http://jobs.utah.gov/opencms/wi/pubs/costofliving/current.html

How green is your job?

The term "green job" is used frequently but what does it really mean?

The topic of green jobs is hot in current political and economic discussions. President Obama has spoken numerous times on building a green economy, including an emphasis on the creation of millions of new green jobs in the near future (see www.barackobama.com). Clearly this is an important topic in modern political discourse, and as the purveyors of occupational information for the state of Utah, certainly we economists at the Department of Workforce Services can speak with absolute authority on the issue, right?

Before we can talk about things like the average wages or the projected growth rates of green jobs, we need to identify all the jobs in the economy that can be labeled "green." But first we need to take yet another step back and understand what the term "green job" actually means.

This is where we run into problems. There is no clear definition of a green job.

This may come as a surprise to some. The term is used so frequently that one would assume it's a well-defined idiom. However, thorough research, reading everything from newspaper articles to technical papers written by major environmental policy gurus, did not return an official definition of a green job, but instead just created more confusion.

What has become clear is that the term is used to mean many different things. Therefore, at this point the best that can be done is to distill the many meanings into a few understandable categories. It appears that a green job can be one (or a combination) of four different things:

1. Environmental Experts—these are the workers who do things such as conduct research in order to identify sources of pollutants that affect the environment or investigate ways to eliminate environmental hazards. These jobs require very specialized expertise in the environmental sciences.

Examples:

- Environmental Scientist
- Conservation Scientist
- Hydrologist

2. Environmental Product Producers—workers in this category are tasked with

using the findings of the environmental experts to create technologies that eliminate or avoid environmental degradation. These workers design and build the tools that allow people to conserve energy and reduce pollution. These jobs may require some expertise in environmental science, but also in other areas such as engineering, technology, and mechanics.

Examples:

- Environmental Engineer
- Mechanical Engineer
- Protection Technician

3. Environmental Product Implementers—Here is where things start to get fuzzy. This category includes occupations that may be specialized to use the outputs created by workers in the previous category. Jobs in this category can be green or un-green. Specific training in environmental science is not necessary. Usually, just some additional training (which can range from low to high time intensity) to become familiar with the use of environmentally friendly products and techniques is all that is necessary to make the job green.

Examples:

- Eco-friendly Furniture Builder
- Green Landscape Architect
- Heating, Air Conditioning and Refrigeration Mechanic and Installer
- Socially Responsible Financial Investors

4. Green-Clean—Now the definition of a green job goes from fuzzy to downright messy. Many industries are currently being pressured to shift away from environmentally unfriendly processes and products to cleaner technologies. In doing so, it is predicted by many politicians that jobs will be created and job duties will change. The change is at the industry level, and all jobs within the cleansing industries are being called green. From this definition blooms occupations such as green managers, green team assemblers, even green office clerks.

Examples:

- Green (fill in occupation title here!)

The bottom line is that one should be mindful of the context in which the term green job is being used. It can mean different things to different people. And

The definition of green jobs is not always clear; in this article they are categorized into four different areas.

continued on page 12

Green jobs play an important role in our society.

while the absence of a consistent use of the terminology may make it difficult for us to measure the effects of the Green Revolution on the Utah economy, that in no way diminishes its importance to our workers, businesses, and society in general.

Green Jobs:	Hourly Median Wage	Total Annual Openings	Star* Rating
Category 1: Environmental Experts			
Environmental Scientist	$30.81	40	5-star
Conservation Scientist	$29.26	20	3-star
Hydrologist	$32.00	n/a	n/a
Category 2: Environmental Product Producers			
Environmental Engineer	$33.22	40	4-star
Mechanical Engineer	$35.21	140	5-star
Protection Technician	$20.41	20	5-star
Category 3: Environmental Product Implementers**			
(Green) Landscape Architect	$26.87	10	2-star
(Eco-friendly) Furniture Builder:			
Cabinetmaker and Bench Carpenter	$11.66	230	2-star
Upholsterer	$12.14	30	1-star
Furniture Finisher	$15.21	10	3-star
Heating, Air Conditioning and Refrigeration Mechanic and Installer	$17.00	210	4-star
(Socially Responsible) Financial Investor:			
Financial Analyst	$27.59	60	4-star
Personal Financial Advisor	$27.61	40	3-star
Category 4: Green-Clean			
Any job within an industry retooling for the Green Revolution			

Source: Utah Department of Workforce Services.

**For an explanation of the star ratings system or information on other occupations, go to http://jobs.utah.gov/jsp/wi/utalmis/oidoreport.do*

***Wages and openings information are for the general job title. Individuals with specific training in the environmentally friendly products and processes may be able to parlay that expertise into higher demand and/or wages.*

WHY PAY THE UNEMPLOYED?

One longstanding government-sponsored feature of the labor market is unemployment insurance for payroll workers. Instituted during the "great depression," it helps to maintain household incomes for the unemployed and stabilizes the overall economy during recessions.

Labor markets are dynamic and fluid. In good times and bad, there are businesses that are expanding, hiring, and being born while others contract, lose jobs, and even die. Workers change jobs, lose jobs, retrain, find advancements, and move in and out of the labor force.

Most people suffer bouts of unemployment during their working life. At times those willing to work are unable to secure their next job for a time. When a worker is laid off from a job, whether it is temporary, seasonal, or a permanent loss due to closing or downsizing; usually the worker qualifies for unemployment insurance benefits. The unemployed receive a weekly payment to partially defray the loss of wages. The receipt of the weekly benefit is contingent on the jobless looking for work. Normally these payments continue until they find a new job or until a six-month benefit window expires.

One purpose of unemployment insurance is to help maintain the income of the household where the job has been lost. It makes it possible to help pay rent, buy food, and otherwise continue to meet life's expenses in the face of the loss of wages. This "income maintenance" function for an individual household is available whether the overall economy is good or bad, in times of economic expansion or contraction.

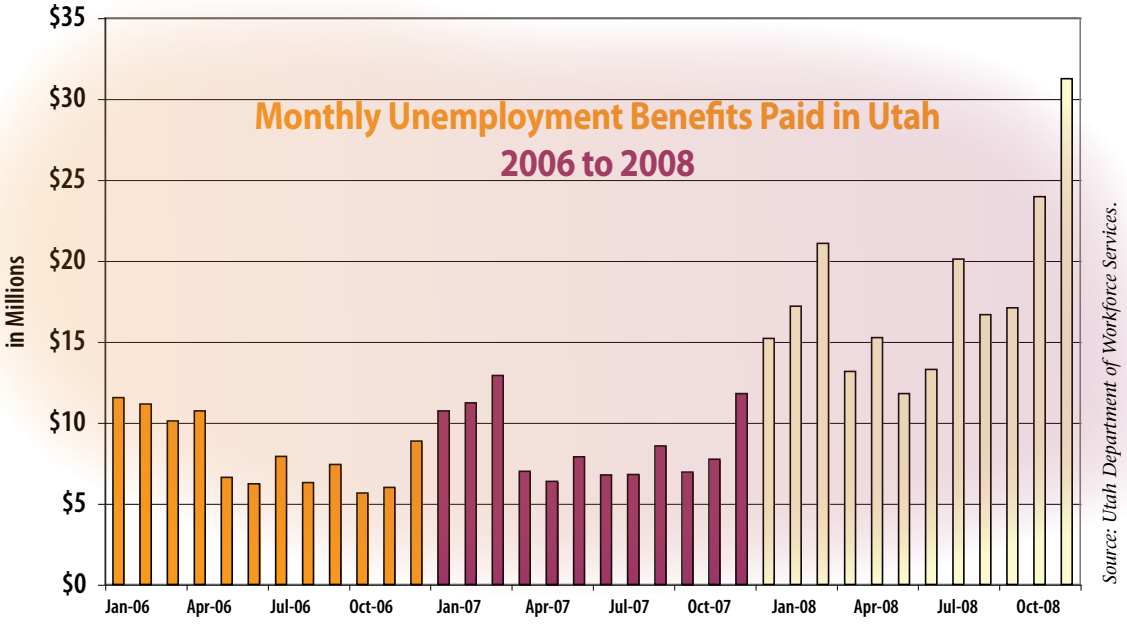
During an economic recession, unemployment benefits perform an important additional function for society as a whole. As jobs in the wider economy are lost in a recession, these unemployment benefits work against the self-reinforcing downward spiral of economic contraction. That is—lost jobs result in a loss of wages leading to lower consumption, falling incomes, less demand for business products and services which, in turn, must reduce investment and production, leading to more layoffs, these lost jobs reducing income to households, who lower consumption, etc.

Unemployment benefits work against the downward cycle—preserving purchasing power to households with an unemployed member while they pursue a new job, additional skill development and training. Thus unemployment benefits in a time of recession become an "automatic stabilizer" for the economy, helping to preserve consumer income and demand for businesses.

The recently concluded Utah economic expansion was at its strongest in 2006, with a total payout of 98.3 million in unemployment benefits during the year. Still a very good year, 2007 saw a small increase in benefit payments to $105.4 million.

As the Utah economy slid into recession in 2008 and unemployment began to rise, payments increased to a total of $218 million, with $31.2 million paid in December alone.

The Utah recession, with additional job losses, housing and financial difficulties are all expected to continue through at least the first half of 2009. Normal and emergency unemployment benefits will be paid out at record rates, helping to maintain the purchasing power of Utah households, demand for businesses, and stabilizing the overall economy. With time the inevitable bottom of this contraction will be reached and unemployment payments will support the early stages of a new expansion and the better economic future to come.



Source: Utah Department of Workforce Services.

The CPI Consumer Price Index:

What Does it Measure and How?

Do you remember when candy bars cost 50 cents, 25 cents or a nickel? My grandfather does, and chances are if you've spent enough time in the candy aisle you've also noticed the prices of your favorite sweets climbing inexorably skyward! You may have made a similar observation when filling your car with gas, loading it with groceries and heading over to pay that monthly rent check. Have you ever wondered how much the prices of those goods have really changed (lamentations of your progenitors aside)? You're in luck! The Consumer Price Index (CPI), a tool developed by the Bureau of Labor Statistics (BLS), allows you to track the "the average change over time in the prices…of [certain] consumer goods and services." In other words, the CPI is a measure of inflation.

Will the CPI tell you how much the price of your favorite breakfast cereal has fluctuated over the last year? Not exactly, as it would be nearly impossible to track every consumer good and service available (such as every brand of breakfast cereal). Rather than track each and every good and service, the BLS uses what they call a "market basket." The market basket is a collection of goods and services created to represent what the average family or individual typically buys. Information used to create the market basket is collected using Consumer Expenditure Surveys. For these quarterly surveys 7,000 families provide information on their spending habits. An additional

The CPI lets you track the average change over time in the prices of consumer goods and services.

7,000 families keep diaries detailing everything they bought over a two-week period. The market basket for the current CPI was created using data from 28,000 weekly diaries and 60,000 quarterly diaries collected throughout 2005 and 2006.

The consumer expenditure survey data was used to determine the importance, or weight, of goods and services in the 200-plus categories included in the CPI. Each one of those categories is a part of one of eight major groups including: food and beverages, housing, apparel, transportation, medical care, recreation, education and communication, and other goods and services. Also included are government fees and taxes associated with purchasing goods and services. To further simplify what is included in the market basket, hundreds of representative goods and services are chosen to portray the thousands of varieties available in the marketplace. For example, one specific portion and brand of breakfast cereal may be used to represent the entire breakfast cereal category. To gather the prices of those representative goods and services, BLS staff call or visit thousands of retail and service outlets to gather the prices of some 80,000 goods monthly. Adjustments are regularly made to account for changes to the quantity, quality, and/or availability of the representative items.

The overall applicability of the market basket to you personally depends on where you live and what you do for a living. CPI measures represent two overlapping population groups. One is the CPI-U, which reflects the spending patters of urban consumers and wage earners, as well as clerical workers. The CPI-U covers 87 percent of the total U.S. population. The other is the CPI-W, a subset of the CPI-U, which covers 32 percent of the U.S. population. Neither the CPI-U nor the CPI-W accounts for farm families, people serving in the armed forces, or institutionalized populations (e.g., prisons). Data is also published for certain metropolitan areas (such as Honolulu or Chicago) throughout the year.

A lot of work goes into creating the CPI, and this short article has only scratched the surface on all there is to know about it. You should now have an idea of how it's generated and how to judge the applicability of its figures to you. To learn more about how the CPI is calculated, what it covers, and its limitations, visit http://www.bls.gov/CPI/.

Can a Recession Be Beneficial?

A big-time national recession is underway. Everywhere we turn we are confronted with financial meltdown, corporate liquidations, and evaporating wealth. But is there a silver lining in all this?

Capitalism is an economic system that is fundamentally built upon self-advancement. Some might want to call it greed, but self-advancement does not have to be greed. Admittedly though, there is only a short leap between self-advancement and greed, and the tipping point can be precarious.

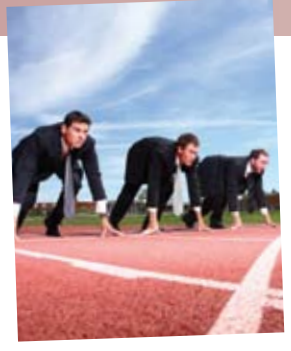
Capitalism has actually been a historically successful system because it works with humankind's fundamental nature—self-advancement—not against it. It rewards self-advancement (in the form of profits, income gains, etc.). Socialist economies have generally fizzled out because they work against humankind's self-advancement nature.

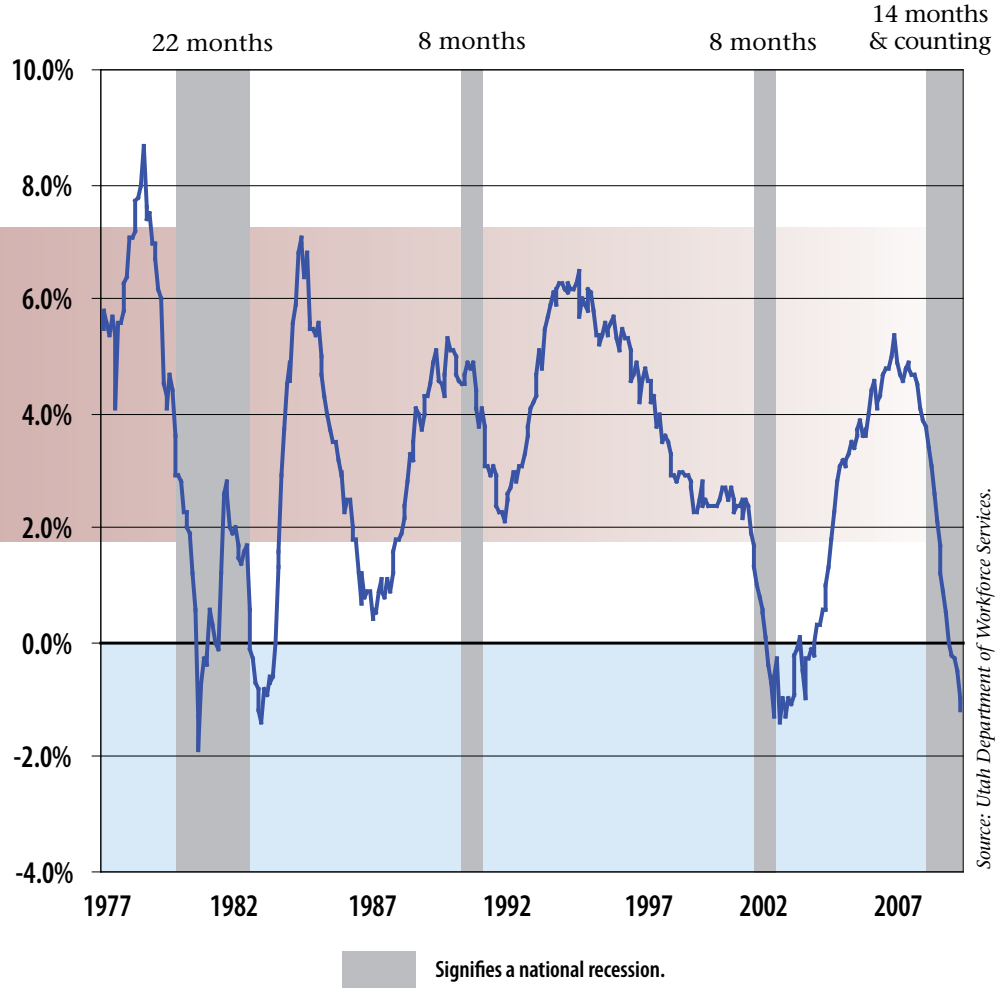
Those systems try to promote group-advancement. Though noble on paper, that psychology resists humankind's nature. Capitalism has survived because self-advancement is humankind's basic nature, and, when channeled properly, it can default into group-advancement.

Yet capitalism isn't perfect, and neither is the channeling process. Self-advancement, when left unchecked over time, can build to excess and overindulgence (that short leap to greed).

An economic meltdown like our current one then becomes inevitable, and the financial system burns to the ground. Unchecked capitalism seems to need these occasional burns to purge itself

Utah Monthly Employment Change 1977 to 2008





Capitalism is an economic system that is fundamentally built upon self-advancement.

The final movement from self-advancement to greed made its leap during the 1990s.

of the long-term trend toward excesses that inevitably build.

Yet just like the mighty forests of Yellowstone National Park—where burning is periodically necessary to clear out the old life and spawn new growth, thus laying the foundation for the forest's survival—capitalism also seems to need periodic cleansing. Excesses need to be purged, with humility, sanity, and a respect for risk re-injected into the system. If the burn is powerful enough, the lessons learned can be a tempering force that steers capitalism for years to come.

A generation that lived through a burn will carry and adhere to the learned lessons for the remainder of their days. It's the newer generations, which haven't lived through a large burn, that become destined to again succumb to greed, and they, in turn, will need their own experience to teach deference toward capitalism's snares and boundaries.

Capitalism should survive the current crisis. The excesses of the past 80 years are being swept away, and from it, the seeds for the next 80 years of capitalistic success are being laid.

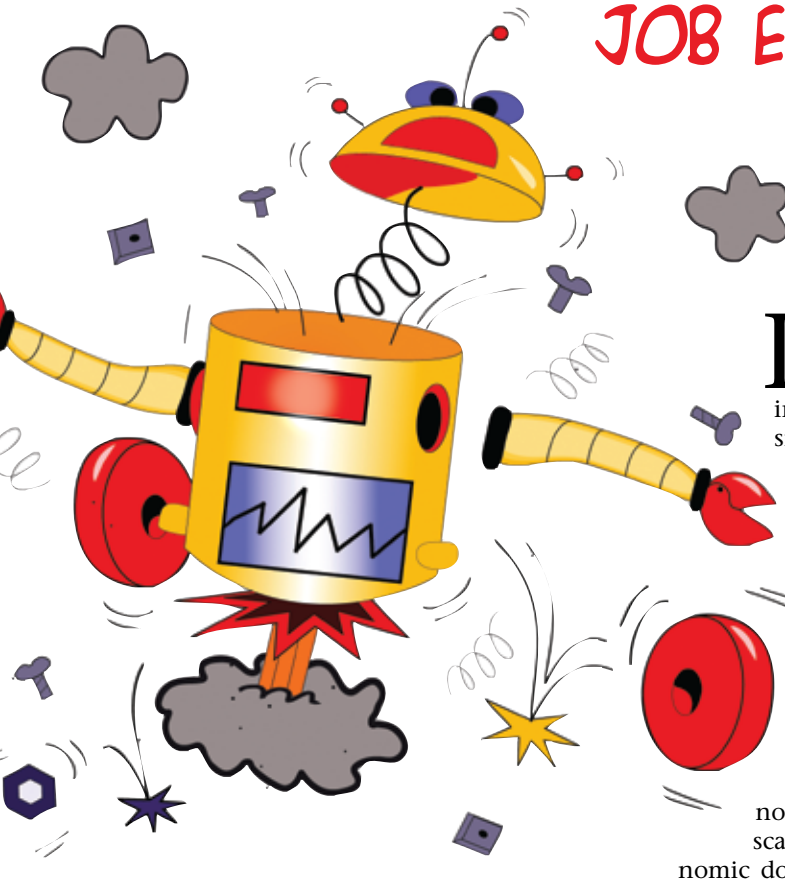
I believe that the lens of history will ultimately tie the current recession and the dot com downturn of earlier this decade into a single, larger economic event, a combination that will again cleanse capitalism. The unifying factor will be the disrespect for risk leading to the excessive emergence of greed, and its ultimate need to be disciplined.

The results were not immediate, but once they emerged, they flared rapidly. The dot com downturn of the early 2000s was not enough to squelch the avarice. It only diverted it toward another sector of the economy—housing. Where before the greed mentality was largely limited to Wall Street, after the dot com recession it made its shift onto Main Street, manifested through our current housing crisis. When the correction that has now come shifted from some of us (dot com downturn) to all of us (the current downturn), the burn finally blossomed into a fire that should ultimately cleanse the system.

For many the pain may be personal. But for the good of all, individual self-advancement is currently being sacrificed for the sake of group-advancement, so that ultimately self-advancement may live on. What an ironic system.

There are also short-term gains to hope for in this process. America's automobile manufacturers catered to the greed era instead of creating more frugal and energy-efficient automobiles, which the Japanese and others promoted. Fuel inefficient SUV's and trucks ruled the day in Detroit. Some forewarned of this risky strategy, but the advice was largely ignored. The depth of this recession and the recent oil price run-up should be enough to finally get Detroit's attention, thus motivating it to switch to a better long-term strategy. This is so important because Detroit has such an influence upon significant sections of the United States economy.

Another gain comes on the geopolitical side. The recession has burst the oil price bubble. Several foreign countries—which generally live upon petro dollars but have a hostile political posture against the western world—are being humbled by this recession and oil's current price fall. This is probably only a temporary reprieve, but their temperance can be enjoyed while the recession lasts.



JOB ENGINE BEGINS TO SPUTTER

If you haven't heard yet the United States is in a severe recession. The nation has seen job losses since December of 2007, and they have accelerated as the year went on with over 500,000 disappearing in December of 2008 alone. Utah has not been left unscathed by this economic downturn, with reported decline of 2,600 jobs in the third quarter of 2008—this from a high of nearly 58,000 jobs created in the second quarter of 2006.

THE ONGOING RECESSION WILL CONTINUE TO TAKE ITS TOLL IN UTAH AND IN NONMETROPOLITAN AREAS.

Driving the downturn has been a dramatic plunge in construction employment, which has reported job losses statewide during each of the first three quarters of 2008. By third quarter 2008, construction registered a decline of nearly 16,000 jobs.

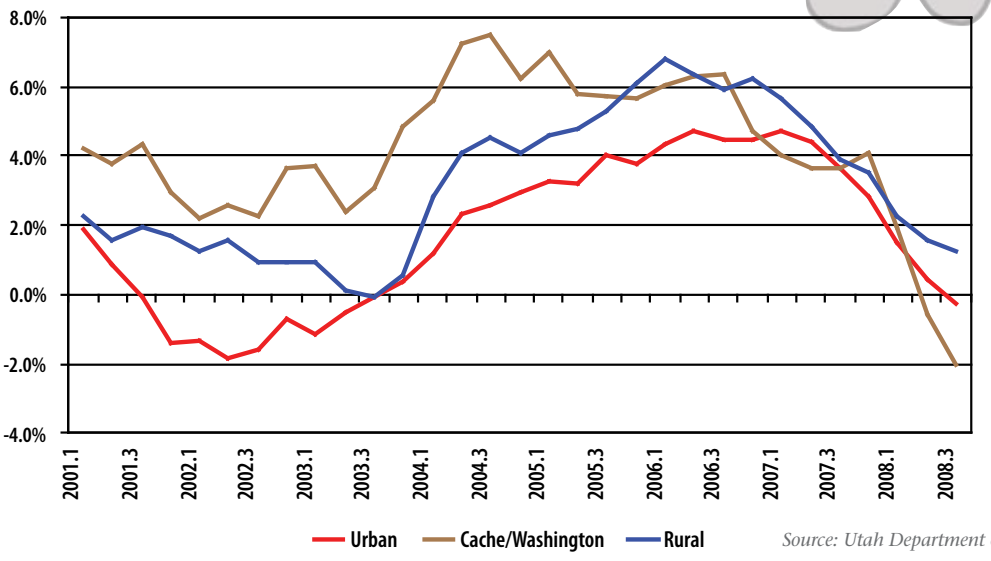
So, how has this turn of events impacted Utah's non-metropolitan counties? As of the third quarter of 2008, nonmetro Utah is still eking out some slight job growth—1.2 percent above third quarter of 2007. Urban counties, on the hand, are showing a slight 0.3 percent decline, while Washington and Cache counties (yep-they are defined as metro areas) report a 2.0 percent job loss. At the same time, non-metropolitan Utah is growing; it too has seen its rate of growth slip from a year ago, when the jobs were increasing at 3.9 percent.

The industries sustaining job growth in nonmetro Utah are mining, agriculture, education, healthcare, professional and business services, recreation and leisure, and government. Trade, transportation and utilities are just barely positive in job creation. However, these gains are largely offset by job losses in construction, manufacturing, and information. This is a major shift from a year ago, when all industries were adding employment except information, which was showing a slight decline in jobs.

The ongoing recession will continue to take its toll in Utah and in nonmetropolitan areas. The third quarter data is the first to show these job losses, and the decline will, more than likely, accelerate in the fourth quarter of 2008. Slowing demand and job losses will likely combine to hinder growth and may force other industries into shedding jobs in the near future. However, it is anticipated that Utah will have weathered the worst of the economic storm towards the latter part of 2009.

PERCENT CHANGE IN JOBS BY AREA

2001-2008 (Quarterly)

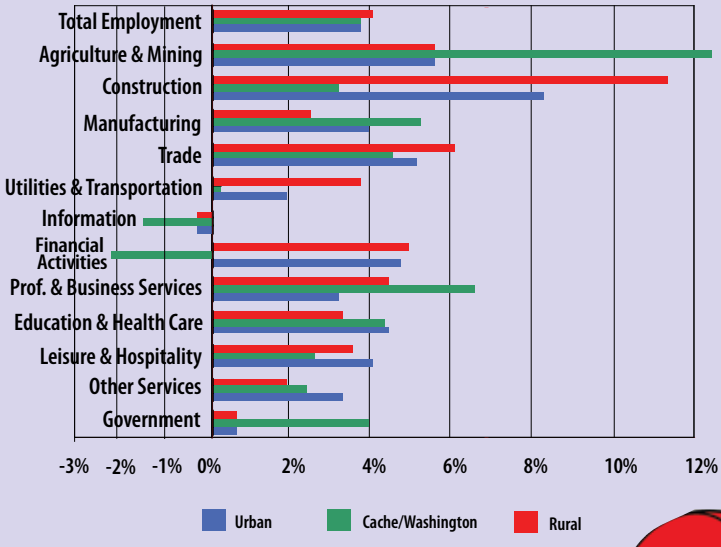


Urban: Salt Lake, Utah, Davis, Weber; Rural: All other counties except: Urban Counties, Cache and Washington

Source: Utah Department of Workforce Services

2007

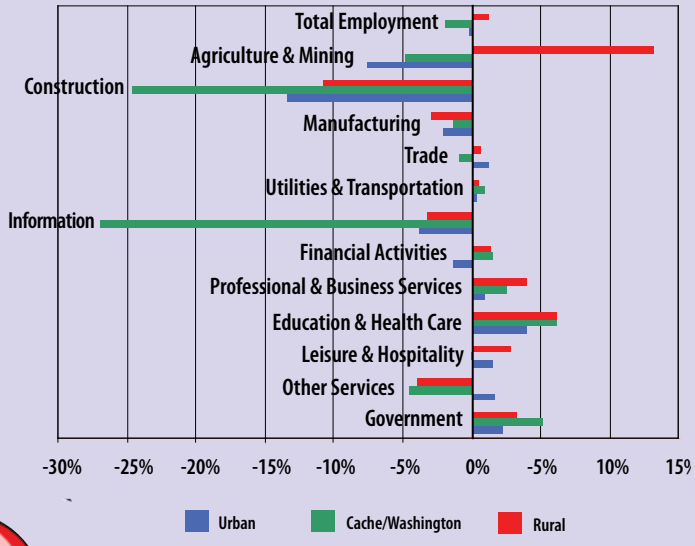
Percent Change in Jobs by Major Industry Group, Third Quarter



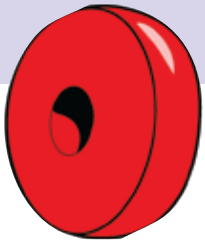
Source: Utah Department of Workforce Services

2008

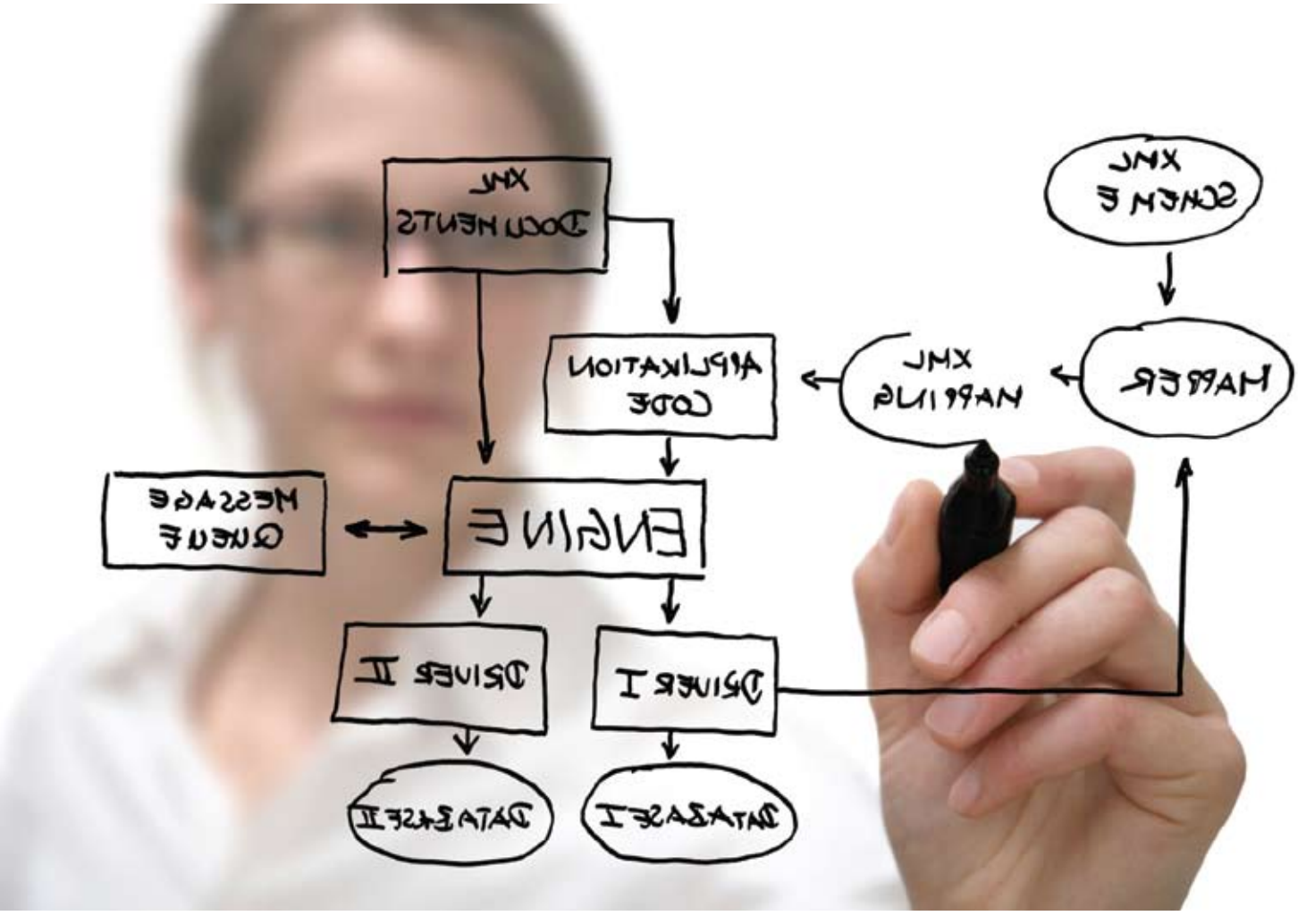
Percent Change in Jobs by Major Industry Group, Third Quarter



Source: Utah Department of Workforce Services



Computer Programmers: *They're Everywhere*



This occupation will experience little or no employment growth, but there will be a moderate volume of annual job openings. The need for replacements is projected to make up the majority of job openings.

Daily, our lives are directly impacted by computer programmers, those folks who write the code that tells computers what to do. Computer programmers have made it possible to easily download movies and free music, pay our bills, work from home, and conduct our lives via email. Do you know that computer-assisted psychotherapy has been found to be as effective as face-to-face therapy in the treatment of depression? Do you know that one of the few hot-sellers in these down economic times are video games? Who can be a Guitar Hero™ without thanking a computer programmer for being able to living out their fantasy? From creating our own greeting cards and mailing them with a stamp made from a personal photo to uploading family photos and having them printed at the pharmacy across town, it is difficult to imagine life without computer programmers.

The U.S. Department of Labor states that a computer programmer's job is to "convert project specifications and statements of problems and procedures to detailed logical flow charts for coding in computer language. Develop and write computer programs to store, locate, and retrieve specific documents, data and information. May program web sites."

Computer programmers perform tasks that can overlap and are occasionally subordinate to computer software engineers, who create operating systems, and applications programmers who develop, create and modify software or specialized utility programs. In some industries where the line between the occupations is more delineated, an accomplished programmer can advance to software or applications engineer.

A bachelor's degree is the minimum requirement for most entry-level positions. The more programs a programmer works on, the better; building a portfolio is as important in this field as in any other. A programmer collaborates with managerial, engineering, technical personnel and other users to develop new programs, conduct trial runs, make corrections, and see that networks, workstations, CPUs or peripheral equipment respond to the program. Learning programming languages such as COBOL, Prolog, Java and C++ is a requirement. Personal traits such as superior problem solving abilities, communication skills and working well with others are also integral to the job. Only in the movies are computer programmers wild-eyed loners sitting in a recliner in a dank basement furiously writing program that will either save or destroy the world.

In Utah, according to the Department of Workforce Services, this occupation will experience little or no employment growth, but there will be a moderate volume of annual job openings. The need for replacements, rather than from business expansion, is projected to make up the majority of job openings in the coming decade. Prospects are best for degree holders with some experience; strong competition faces those with less formal education or work experience. This occupation is expected to grow by 1.9 percent—about 260 openings annually.

The next time you take a photo with your cell phone, watch a rocket launch from Florida, search for a mate on a web site, or do any of the millions of activities that are based on computer programs, think of the programmer who learned the language, wrote the code and made it all happen.

Utah Wages by Occupation, Annual

Title	Inexperienced Wage	Average	Median	Middle Range	Training
Computer Programmer	$43,580	$73,030	$67,200	$49,940 to $87,650	Bachelor's Degree
Computer Software Engineer, Applications	$50,740	$77,300	$76,460	$58,400 to $94,150	Bachelor's Degree
Computer Soft-Ware Engineer, Systems Software	$54,030	$77,150	$78,130	$62,990 to $94,180	Bachelor's Degree

Source: Utah Department of Workforce Services, data from May 2007.

Finding a Job IS a Job

A successful job search requires time and effort. Most people work 40 hours a week. So if you're unemployed, you should plan on devoting that much time to a job search. But first, you need to get organized, and plan how to look for work strategically. Often the hardest thing is just getting started, but don't delay or let anything stop you from working on your job search plan.

Certain things are essential for an effective job search. Ideally, you've done a thorough assessment of yourself. You know your values, skills and interests. Before you actually apply for any jobs, begin your job search by gathering and organizing all the related information you can, to promote your qualifications and satisfy the needs of a prospective employer.

First, get organized

If you've never been an organized person, now is the time to develop this skill. Establish measurable goals and schedule your days. Plan, then do job-search activities to meet those goals.

For example, you could set Monday morning, eight to noon, for identifying your skills. Then the afternoon could be spent preparing a resume. Tuesday you could spend two hours in a library or on the Internet to look up 10 potential employers to contact. Then you might

This article is the first in a series on finding a job. We thought it would be helpful, in this economic downturn, to people who may have lost their job, or just want to be prepared to find another one, in case. Subsequent articles will deal with job search topics.

Getting organized, having clear occupational objectives, and learning about the hidden job market are crucial to your job search.

plan to spend the rest of the day and Wednesday actually making contacts. At the end of each day review how you did, and revise your plans as needed. But keep up the pace—challenge yourself.

Have clear occupational objectives

No job seeker is really looking for "anything." Use what you learned from your self-assessment (http://jobs.utah.gov/opencms/wi/pubs/adultcareerguide/knowthyself.pdf) to define your employment goals.

Next, look at the list of your skills you've identified (http://jobs.utah.gov/opencms/wi/pubs/adultcareerguide/identifyyourskills.pdf) and narrow it down to those pertaining to the particular types of jobs you are seeking.

Prepare a personal data sheet with all your employment-related information. This will make employment applications easier to complete.

Write one or more basic resumes that you can adapt and customize in order to advertise your skills to each potential employer.

The hidden job market and networking

The vast majority (80 percent or more) of job openings are not advertised! Most employers do not need to advertise; they have enough applicants without it, through "word of mouth," or networking. Employers prefer to hire on a referral from someone they trust. This is what makes networking so important.

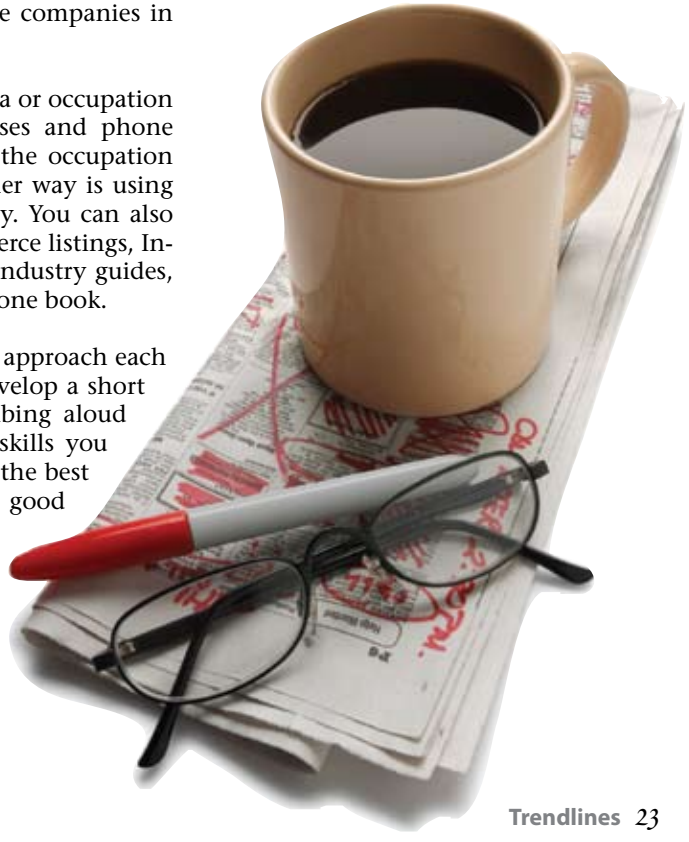
Direct employer contact is part of your campaign to sell your qualifications. Make a list of potential employers. As your job search progresses, you will continually change this list. One excellent resource is FirmFind (http://jobs.utah.gov/firmfind/pgMain.asp), a searchable list of all the companies in Utah.

You can search it by area or occupation to find names, addresses and phone numbers who employ the occupation you are seeking. Another way is using your local public library. You can also use Chamber of Commerce listings, Internet search engines, industry guides, newspapers and the phone book.

Now, plan a strategy to approach each potential employer. Develop a short "sound bite" by describing aloud the job you seek, the skills you offer, and why you are the best candidate. It is also a good idea to look at your resume as if you were that particular employer, and make any adjustments to emphasize the skills, experience or traits that employer would want.

When contacting an employer directly, try to talk to the person who would supervise you in your desired job, even if there are not jobs currently open. Making a good impression at this point may be the reason they call you later when something opens up.

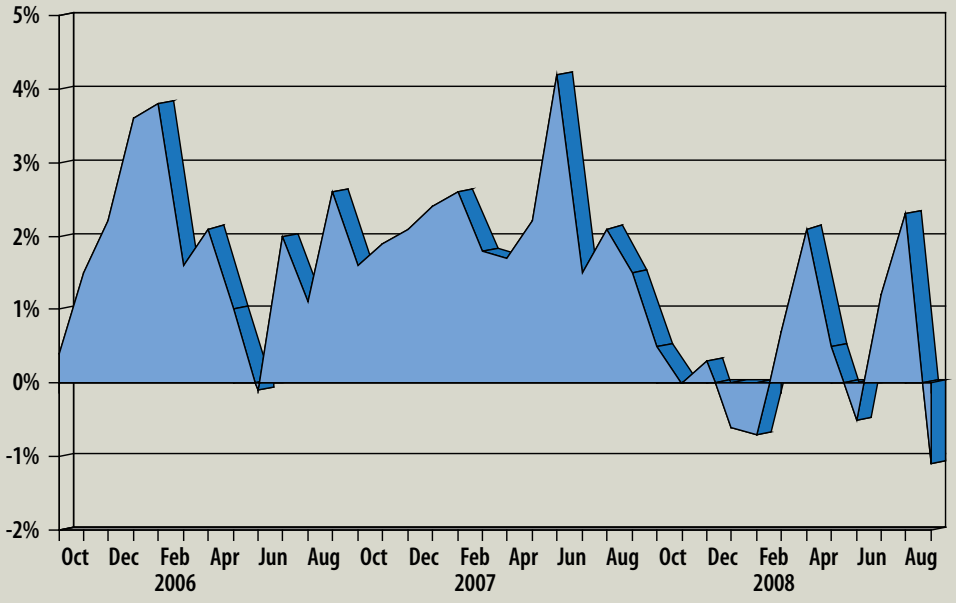
Planning, persistence and follow-up are the keys to a successful job search.



Millard County

Millard County Year-Over Change in Nonfarm Jobs

Since 2000, with the exception of a brief spike in pipeline construction-related employment, the county has either lost a small percentage of jobs or grown at a slower-than-average pace. The good news? Despite the recession, Millard has, so far, experienced only minor job losses and unemployment remains relatively low. Plus, projects in the wind provide the hope of new jobs in the years ahead. The presence of the Intermountain Power Project gives Millard County an unusually high share of utilities-related employment. In addition, Millard County shows the fourth-highest share of agricultural employment in the state. However, a high proportion of employment is at large facilities rather than in the family farm we often associate with Utah farming.



Source: Utah Department of Workforce Services.

What the Department of Workforce Services can offer in the

Economic Downturn

The Department of Workforce Services can be a resource for virtually anyone in the state, in good times and not-so-good times as well. Our services to business, job seekers and training providers are a resource no matter what the economic climate. For a comprehensive view of our services visit jobs.utah.gov.

One of the roles fulfilled by DWS services is to sustain customers (and their families) while they work their way through necessary transitions. These days there are many who find themselves out of the job market for the first time, and many employers who find themselves for the first time in a downsizing mode. The department has services that can assist both.

Employers can soften the blow by contacting the department's Rapid Response Team. Our Rapid Response Team is a seasoned group of professionals who deal with employee layoffs in good times and in bad. They offer resources by coming on-site to consult with the employer on all services available. We offer on-site workshops to the employees and employers for advice on coping with the stress, credit counseling and financial planning, options for retraining and information on other services the department offers such as unemployment insurance.

Despite the doom and gloom there are jobs available. Thousands of open positions are listed on our web site, jobs.utah.gov. Listing by positions means there could be more than one job in various unfilled positions listed throughout the state.

For up-to-date information on the state of Utah's economy there's plenty of timely information (such as this magazine) and our career guides for every segment of the workforce. Find career information on occupations in your industry and how to fill those vacancies in a tight labor market. If you're looking for a new career, you can find information on the education and training necessary in recession-proof occupations in healthcare, finance, information technology and education.

Yes, times are hard, but help is available from the Department of Workforce Services.

A booklet for laid-off workers produced by DWS. For questions, contact Dawn Lay, Rapid Response Coordinator, at dlay@utah.gov

Utah Careers with a FUTURE

Featuring Automotive & Diesel Technology

Shift Your Career into High Gear

- Between 2006 and 2016 the demand for Automotive Service Technicians and Diesel Technicians in Utah will grow by 3.4%
- More than 600 new jobs annually in Utah
- Work with cutting-edge technologies in modern, clean, air-conditioned and safe shops.

**For questions regarding background checks relating to certificates and licenses, contact the Utah Division of Occupational and Professional Licensing at www.dopl.utah.gov/licensing.html.*

jobs.utah.gov

Automotive Profile
Cort Johnson

"I started in 1987 at Larry H. Miller Chevrolet as an apprentice technician. I completed a two-year program in May of 1989 earning a two-year degree through the General Motors Automotive Service Educational Program at Weber State University."

Diesel Profile
James Duran

"From a young age, I had ambitions of becoming a Diesel Technician. Wanting a professional career that would be both mentally and physically satisfying, he began pursuing his goal in high school by enrolling in an Auto Tech class and then enrolling in the Heavy Duty Mechanics program through the Jordan Applied Technology Center."

just the facts...

December 2008 Unemployment Rates		Changes From Last Year	
Utah Unemployment Rate	4.3%	Up	1.4 points
U.S. Unemployment Rate	7.2 %	Up	2.3 points
Utah Nonfarm Jobs (000s)	1,258.2	Down	1.4 %
U.S. Nonfarm Jobs (000s)	135,947.0	Down	2.1 %
December 2008 Consumer Price Index Rates			
U.S. Consumer Price Index	210.2	Up	0.1%
U.S. Producer Price Index	168.8	Down	1.9%

Source: Utah Department of Workforce Services

December 2008 Seasonally Adjusted Unemployment Rates

Beaver	4.7 %
Box Elder	5.2 %
Cache	3.2 %
Carbon	4.6 %
Daggett	2.8 %
Davis	4.1 %
Duchesne	3.1 %
Emery	3.7%
Garfield	6.6 %
Grand	6.7 %
Iron	5.4 %
Juab	6.4 %
Kane	5.4 %
Millard	3.4 %
Morgan	3.6 %
Piute	3.0 %
Rich	2.9 %
Salt Lake	4.1 %
San Juan	7.1 %
Sanpete	5.8 %
Sevier	5.4 %
Summit	3.6 %
Tooele	4.4 %
Uintah	2.6 %
Utah	3.9 %
Wasatch	4.1 %
Washington	6.1 %
Wayne	6.9 %
Weber	5.2%

Watch for these features in our

Next Issue:

Theme:
Outlook for Grads

County Highlight:
Kane

Occupation:
Engineer

How much do those employed in the healthcare industry earn?

Find out at

jobs.utah.gov

click on Workforce Information

Utah Department of Workforce Services
Workforce Development and Information Division
140 E. 300 S.
Salt Lake City, UT 84111